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GOVERNMENT OF PAKISTAN
(REVENUE DIVISION)
FEDERAL BOARD OF REVENUE

Islamabad, the 10th March, 2020.

**NOTIFICATION
(Customs)**

S.R.O. 218 (I)/2020.- In exercise of the powers conferred by section 219 of the Customs Act, 1969 (IV of 1969), section 50 of the Sales Tax Act, 1990, section 40 of the Federal Excise Act, 2005 and section 237 of the Income Tax Ordinance, 2001 (XLIX of 2001), the Federal Board of Revenue is pleased to direct that the following further amendments shall be made in the Customs Rules, 2001, which have been previously published *vide* Notification No.S.R.O 1538(I)/2019, dated the 5th December, 2019, namely:-

In the aforesaid Rules, in Chapter XXI, after Sub-Chapter VIII, the following new Sub-Chapter shall be inserted, namely:-

**“Sub-Chapter VIII-A
International Transshipment**

510A. Transshipment of imported cargo from gateway port to a foreign port.-

The following procedure is prescribed for the movement of the International Transshipment (IT) cargo through any sea port in Pakistan, which shall be distinctly manifested as such in the IGM/carrier declaration uploaded electronically in the Customs Computerized System by the shipping line or its agent. Such manifest shall necessarily include the following information, namely:-

- (a) port of loading;
- (b) via port (name of the transshipment port of Pakistan);
- (c) port of destination (final port of discharge at foreign destination);
- (d) bill of lading (B/L) No;
- (e) name of foreign exporter; and
- (f) name of foreign importer.

510B. Transshipment of containerized cargo.- The unloading of IT containers of the transshipment of containerized cargo shall be,-

- (a) made in presence of Preventive Officer and after unloading, IT containers shall be stored separately at a place earmarked for them in the notified premises of a seaport;
- (b) the Preventive Officer shall examine the shipper seals of the IT containers and in case of any broken seal, such container shall be examined and immediately resealed with the Customs seal in the presence of the custodian as well as an insurance agent and same shall be recorded;
- (c) the cargo so unloaded from one vessel for storage for subsequent loading at another vessel shall not be allowed under any circumstances to be taken out of the bonded-area. The terminal operator (TO) shall be responsible for safe storage and security of the goods. In case of any pilferage, shortage, theft or damage to goods, TO shall be liable to make payment of duty and taxes leviable thereon and compensate the owner of goods;
- (d) for loading of stored international destined cargo, master of the vessel or his authorized agent, shall electronically file an online declaration in Pakistan Customs Computerized System for International Transshipment (IT) against respective VIR/IGM and index to be loaded on a vessel for transportation to an international destination;
- (e) the assessing officer may call for supporting documents including invoice, packing list, bill of lading from the shipping agent or shipping line making the online declaration;
- (f) no goods for international transshipment shall be loaded on a vessel until the system has allowed loading electronically. The computerized system may on the basis of RMS assign such online declarations to the assessing officers for documentary and physical inspection. Till the development of RMS, the authorized officer of Customs not below the Rank of an Assistant Collector may select the consignment of international transshipment for physical inspection or scanning on the basis of suspicion or if the shipper seal is found to be tempered or broken;
- (g) International transshipment of cargo shall be effected within thirty days of inward berthing of vessel;
- (h) if there is a reason to believe that the goods in violation of any prohibition or restriction have been brought for international

transshipment, the same shall be examined and auctioned after the approval of the Collector of Customs; and

- (i) after online allow of loading, goods shall be allowed to be loaded on to the ship under the Customs supervision. The Preventive Officer supervising the loading shall acknowledge the loading of such cargo. This record shall be reconciled with the copy of Export General Manifest.

510C. Transshipment of oversized, bulk and break-bulk cargo.- (1) Oversized, bulk and break-bulk cargo shall be examined by the Customs upon discharge and examination report along with the pictures of the cargo shall be uploaded in the Customs Computerized system against B/L. Upon filing of online declaration for transshipment, the details of the cargo shall be reconciled with the imported cargo.

(2) Partial transshipment of bulk or break-bulk cargo shall be allowed against Online Bulk Transshipment Declaration having endorsement "Partial Transshipment" containing details of total cargo arrived, quantity being transshipped and remaining quantity. The shipping line or its representative shall furnish a complete account of bulk or break bulk cargo to the Assistant Collector (Import Section) within twenty four hours of the completion of transshipment. In case of liquid bulk cargo, the same shall be stored in the storage tanks used exclusively for the international transshipment.

510D. Financial guarantee on transshipment goods.- (1) The international transshipment goods shall not be subject to payment of import or export duties and taxes provided the activities are in conformity with these rules.

(2) Shipping line intending to use the facility of International Transshipment shall furnish a revolving bank guarantee for the leviable duty and taxes of the goods as security to ensure exit of goods outside the country within thirty days from the berthing of inward vessel. The revolving bank guarantee shall be forfeited apart from other consequential penal action under the Act and the rules made there under, if the shipping line misuses the facilities of international transshipment;

(3) If a request for transshipment is not filed for the goods stored for transshipment within thirty days of its arrival, a notice shall be sent to the shipping line or its agent on the address given in the shipping documents for transshipment of goods

